

FISCAL MEMORANDUM

SB 2639 – HB 2637

July 17, 2008

SUMMARY OF AMENDMENTS (018777, 018506, 018788, 018967, 018975, 018999):

Amendment 018777 deletes the original bill in its entirety. Tenn. Code Ann. §68-14-327 regarding leisure pools is deleted. Requires all fees and penalties collected by the Health Services and Development Agency to be paid to the General Fund. Deletes Tenn. Code Ann. §12-7-101, 102, 103, 104, 105, and 107 which authorize the establishment of the State Agencies Publication Committee. Replaces these sections with language requiring the Department of General Services (DGS) to provide a permanent record of publications issued by state government and to establish rules and regulations to control the cost, quantity, content and necessity of such publications. Prohibits the automatic distribution of such reports. Requires DGS to maintain certain information concerning such publications. Currently, the majority of the rules and regulations concerning such publications are governed by the State Agencies Publication Committee. Requires certain healthcare systems to obtain a certificate of need before closing or substantially reducing services at Medicare designated critical access hospitals. Includes the East Tennessee Regional Agribusiness Marketing Authority as an entity to which FastTrack grants may be made.

Amendment 018506 makes changes concerning the notice required for consumer credit reporting agencies that post changes to a consumer file.

Amendment 018788 deletes the provisions found in amendment 018777 concerning healthcare systems. This is replaced with language prohibiting the closing or reduction of services at any hospital for which a certificate of need is required or that has been designated as a critical access hospital under the Medicare rural flexibility program without applying for and receiving a certificate of need for such changes.

Amendment 018967 changes the sunset date for the State University and Community College System from June 30, 2008 to June 30, 2009.

Amendment 018975 deletes the provision found in amendment 018777 that provided specific authorization for the Department of Economic and Community Development to make FastTrack grants to the East Tennessee Regional Agribusiness Marketing Authority.

Amendment 018999 shifts the location within the bill of the provision found in amendment 018777 regarding leisure pools.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – Exceeds \$352,900

Increase Local Expenditures – Exceeds \$100,000/Permissive

Funding to increase the income ceiling to \$24,000 for disabled taxpayers for tax year 2007 was erroneously included in the general appropriations bill for FY07-08 as part of the funding for Public Chapter 539 (which applied only to elderly taxpayers).

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:

Increase State Revenue – Not Significant

Decrease State Expenditures – \$160,300

Other Fiscal Impact – Decreases departmental revenue received by the Department of General Services by \$160,300. These funds represent a decrease in state expenditures from various state agencies which fund the State Agencies Publication Committee.

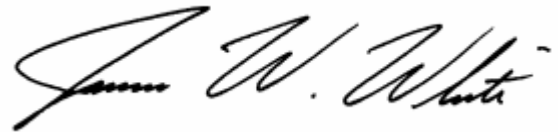
Assumptions applied to amendments:

- According to the Department of Health, removing the regulations regarding leisure pools will not have a fiscal impact on state or local governments.
- A decrease of \$160,300 in general fund expenditures for various state departments associated with the abolishment of the State Agencies Publication Committee and the transfer of the duties of the committee to the Department of General Services.
- According to the Health Services and Development Agency, the agency is currently funded by fees charged by the agency and is not funded by the state's budget. If such fees are directed to the General Fund, an amount equivalent to the amount of revenue derived from the fees will be appropriated to the agency. As a result, there will be no significant net impact to the general fund.
- According to the Health Services and Development Agency, requiring certain hospitals to obtain a certificate of need would not result in a significant increase in state revenues or expenditures.

- The decrease in department revenue received by the Department of General Services will result in the elimination of one position and associated costs due to abolishment of the State Agencies Publication Committee.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible, and "W." in the middle.

James W. White, Executive Director

/cce